

CONTENTS

1. Company Information	2
2. Notice of Annual General Meeting	3
3. Directors Report	5
4. Corporate Governance Report	8
5. Management Discussion And Analysis	16
6. Auditors' Certificate on Corporate Governance	20
7. Auditors' Report	21
8. Annexure to the Auditors Report	23
9. Balance Sheet	26
10. Profit And Loss Account	27
11. Cash Flow Statement	28
12. Schedules forming part of Balance Sheet and Profit and Loss Account	29
13. Significant Accounting Policies and Notes on Accounts	34
14. Shareholders' Referencer	41
15. Attendance Slip and Proxy Form	46

BOARD OF DIRECTORS

Mr. SHRIGOPAL INANI	<i>Chairman</i>
Mr. LAKSHMIKANTH INANI	<i>Managing Director</i>
Mr. RAMAKANTH INANI	<i>Whole Time Director</i>
Mr. VISHNUKANTH INANI	<i>Whole Time Director</i>
Mr. SURESH JANAKIRAM KABRA	<i>Director</i>
Mr. RAMESH ATHASNIYA	<i>Director</i>
Mr. ANAND RAMESHCHANDRA CHANDAK	<i>Director</i>

AUDITORS

M/s. G.D. UPADHYAY & CO.
Chartered Accountants

5-1-53, IInd Floor,
Opp. Goshamahal High School,
Siddiamber Bazar,
Hyderabad - 500 012.

DEMAT & PHYSICAL SHARE REGISTRARS :
Venture Capital & Corporate
Investments Pvt Limited
MIG - 167, Bharat Nagar Colony
Hyderabad - 500 018.
SEBI Regn. No. INR 00001203

PRINCIPAL BANKERS

HDFC Bank Limited
Lakdi-ka-pool,
Hyderabad - 500 004.

TAMILAND MERCANTILE
BANK LIMITED
Siddiamber Bazar,
Hyderabad - 500 012.

LEGAL ADVISOR :

Mr. Shyamsunder Lahoti, Advocate
15-9-49, Maharajgunj,
Hyderabad - 500 012.

REGISTERED OFFICE

G-15, Raghava Ratna Towers,
5-8-352/14 & 15,
Chirag Ali Lane,
Hyderabad - 500 001.
E-mail : info@inanisec.in

CORPORATE OFFICE

B/23, 2nd Floor, Plot No. 13,
Wadala Sriram Industrial Estate,
G.D. Ambekar Marg, Wadala (W)
Mumbai - 400 031.
E-mail : bby@inanisec.in

Visit us at : www.inanisec.in

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 17TH ANNUAL GENERAL MEETING OF THE MEMBERS OF **INANI SECURITIES LTD** WILL BE HELD ON **SATURDAY, THE 23RD DAY OF JULY, 2011** AT 4.00 P.M, AT RAJASTHANI GRADUATES ASSOCIATION HALL, SITUATED AT, 5-4-790/1, FIRST FLOOR, LANE OPP. TO G.PULLA REDDY SWEETS, ABIDS, HYDERABAD - 500 001 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

- 1 To receive, consider and adopt
 - a) The Audited Balance Sheet of the Company as at 31th March, 2011,
 - b) The Profit & Loss Account for the year ended as on that date,
 - c) The auditor's report there on: and
 - d) The directors report.
2. To appoint a Director in place of Mr. Suresh Janakiram Kabra, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Ramesh Athasniya, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint auditors and fix their remuneration.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Instruments of Proxy/ Proxies in order to be effective, must be deposited at the registered office of the company, not less than 48 hours before the commencement of the meeting.
3. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from **20th July, 2011 to 23rd July, 2011 (both days inclusive)**.
5. The Members holding shares in physical form, may write to the Company's share transfer agents for any change in their address and bank mandates. Members holding shares in electronic form may intimate the same to their respective Depository Participants to enable the Company to dispatch the communications at their correct addresses.
6. Members who hold their shares in dematerialised form are requested to bring their client ID and DP numbers for easy identification of attendance at the meeting.

Place : Hyderabad

Date : 24th June, 2011

By Order of the Board

Sd/-

SHRIGOPAL INANI

Chairman

Details of Directors seeking Appointment at the Annual General Meeting Pursuant to Details as required under Clause 49 of the Listing Agreement

Particulars	Mr. Suresh Jankiram Kapra	Mr. Ramesh Atharvya
Date of Birth	18-04-1942	28-10-1970
Date of Appointment	29-08-2002	29-08-2007
Qualifications	B.com	C.A.
Expertise in Specific Functional Areas	Vast Experience in Insurance & Finance	Wide Experience in Accounts & Finance

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses in respect of electronic holdings with the Depository Participants. Members who hold shares in physical form are requested to register their email address with company's registrar and transfer agents i.e. M/s. Venture Capital & Corporate Investments Private Limited H.NO. 12-10-167, BHARAT NAGAR, HYDERABAD – 500018 in the below mentioned format.

Name:..... e-mail id:.....
 Address:.....
 Folio No.:.....
 No. of equity shares held:.....

Signature of member

DIRECTORS' REPORT

To

The Members,

Your Directors have pleasure in presenting the 17th Annual Report of your company on the business operations together with the audited financial accounts for the financial year ended 31st March, 2011.

FINANCIAL RESULTS:

A snapshot of the Financial performance of the Company for the year 2010-11 is as under:

Particulars	Year ended 31st March 2011 (Rs.in Lakhs)	Year ended 31st March 2010 (Rs.in Lakhs)
Total Revenue	249.04	252.60
Profit before Interest, Depreciation&Tax	110.28	113.01
Profit before Depreciation & Tax	87.31	93.58
Profit Before Tax & Exceptional Item	73.35	75.72
Less: Prior year Adjustment & Exceptional Items	2.46	1.51
Net Profit Before taxation	70.89	74.21
Less : Provision for Tax		
- Current tax	21.33	22.89
- Deferred Tax	0.50	(0.20)
- Earlier Year Tax	0.45	1.01
Net Profit	48.61	50.51
Add : Balance brought forward from the last year	780.01	729.50
Profit available for appropriation	828.63	780.01
Proposed Dividend	-	-
Balance carried to Balance Sheet	828.63	780.01

REVIEW OF PERFORMANCE:

During the year under review the financial year 2010-11 was marked by a fairly tough financial environment due to slowdown in some of the major economies of the world. The Net profit after tax of your company stood reduced to Rs. 48.61 Lacs (Previous Year Rs. 50.51 Lacs).

DIVIDEND:

Your Directors do not recommend any dividend for the year 2010-11.

DIRECTORS:

In accordance with the provisions of section 255 of the Companies Act, 1956 and article 113 of the Articles of Association of the Company, Mr. Suresh Janakiram Kabra and Mr. Ramesh Ashasiya Director(s) retires by rotation at the ensuing Annual General meeting and being eligible, offer themselves for the re-appointment.

STATUTORY AUDITORS:

M/s. G.D. Upadhyay & Co., Chartered Accountants Auditors of the Company hold office till conclusion of the ensuing Annual General Meeting of the company and are eligible for the re-appointment. The Company is in receipt of confirmation from M/s. G.D. Upadhyay & Co., that in the event of their re-appointment as statutory auditors of the Company, such re-appointment will be within the prescribed limits specified U/s 224(1B) of the Companies Act, 1956. The Board of Directors proposes to re-appoint them for another term and will hold office till the conclusion of the next Annual General Meeting.

LISTING ARRANGEMENT:

Your Company's shares are listed on

- 1) Bombay Stock Exchange Ltd., (B S E)

The listing fees for the year 2010-11 have been paid.

PUBLIC DEPOSITS:

During the year under review, your company has not accepted any Public Deposits pursuant to section 58A of the Companies Act, 1956.

STATUTORY INFORMATION:**A. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :****a). CONSERVATION OF ENERGY**

The company is engaged in providing financial services and as such its operations do not account for substantial energy consumption. However, the company is taking all possible measures to conserve energy. Several environment friendly measures have been adopted by the company such as :

- Installation of TFT monitors that save power
- Automatic power shutdown of idle monitors.
- Creating environmental awareness by way of distributing information in electronic form.
- Minimising air-conditioning usage
- Shutting off all the lights when not in use
- Education and awareness programmes for employees.

b) TECHNOLOGY ABSORPTION

The management understands the importance of technology in the business segments, it operates and lays utmost emphasis on system development and the use of best technology available in the industry. The management keeps itself abreast with technological advancements in the industry and ensures continued and sustained efforts towards absorption of technology, adaptation as well as development of the same to meet business needs and objectives.

c) FOREIGN EXCHANGE EARNINGS/OUTGO

There are no FOREX transactions during the year under review.

PARTICULARS OF EMPLOYEES :

No employee of your company is in receipt of remuneration of Rs. 60 lakhs p.a. or part thereof pursuant to Section 217 (2A) of the Companies Act, 1956 and the Companies (Particulars of Employees), Rules 1975 as amended.

CORPORATE GOVERNANCE :

Your company has complied with all the mandatory provisions of the revised clause 49 of the Listing Agreement. As part of the Company's efforts towards better corporate practice and transparency, a separate report on Corporate Governance compliances is included as a part of the Annual Report.

A certificate from the Statutory Auditors, regarding compliance with the conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement is attached to this report on Corporate Governance.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to provisions of Section 217(2AA) of the Companies Act, 1956 the Directors of your Company confirm that :

- i. in preparation of the annual accounts for the financial year ended 31st March, 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any, there from;
- ii. appropriate accounting policies have been selected and applied them consistently. The Judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2011 and of the profit of company for the said period.
- iii. proper and sufficient care has been taken for the maintenance of accounting records in accordance with the provisions of this Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities: and
- iv. the annual accounts have been prepared on a going concern basis.

ACKNOWLEDGEMENTS:

The Directors place on record their gratitude to the Government, Regulators, Stock Exchanges, other Statutory bodies and the company's bankers for the assistance, co-operation and encouragement extended to the Company.

The Directors would like to take this opportunity to express sincere thanks to its valued clients for their continued patronage. The Directors express their deep sense of appreciation of all the employees, whose continuing support, commitment and initiatives has made the organisation's growth. Finally, the Directors wish to express their gratitude to the shareholders for their trust and support in the future.

for and on behalf of the Board

Place : Hyderabad

Sd/-
SHRIGOPAL INANI

Date : 24th June 2011

Chairman

CORPORATE GOVERNANCE REPORT**I. CORPORATE PHILOSOPHY:**

At your company, Corporate Governance is viewed as a moral duty. We believe that corporate Governance is a system of structuring, operating and controlling a company to achieve long-term strategic goals and ensuring interest of all the stakeholders, including shareholders, creditors, employees, customers and suppliers, complying with the legal and regulatory requirements, apart from meeting the environmental and local community needs. It is about commitment to values, ethical conduct of business and responsibility towards the society at large.

The company has adopted the best corporate governance practices, based on following principles.

- A strong, professional and independent Board with rich and varied experience
- Accountability for functioning and transparency in conduct
- Systemic and timely disclosure of all material information
- Adequate risk management and internal control systems
- Compliance with the applicable rules and regulations
- Independent verification of financial reporting
- Value creation for stakeholders

Your company understands that the customer is purpose of our business and every customer is an important stakeholder of the Company, performing ethically and efficiently to generate long-term value and wealth for all its stakeholders.

The report on corporate governance, as per the applicable provisions of Clause 49 of the listing agreement is as under:

II. BOARD OF DIRECTORS :

The routine affairs of the Company are managed by the Managing Director and assisted by the Whole Time Director(s) of the Company.

Your Company is committed for adoption of best governance practices, their adherence in true spirit and conduct of its affairs in a manner, which is transparent, clear and evident to those having dealing with or having a stake in the company. Company lays strong emphasis on business ethics in all its dealings. In line with the vision and long term business objectives, all major corporate decisions are taken by the company's professional Board in conjunction with a competent management team, keeping in view the best interest of all its stakeholders.

The company presently has seven Directors, including Whole-Time Directors. The brief profile of your company's Board of Directors is as Under :

During the year under review Four Board Meetings were held on 30th April, 2010, 31st July, 2010, 30th October, 2010 and 31st January, 2011. The composition of the Board and attendance of the Directors at the Board Meetings held during the financial year under review and

the last Annual General Meeting (AGM), number of Directorships and memberships/ chairmanships in public companies (including the Company) are given below:

Name of the Director	Category	Financial Year 2010-11 Attendance at		Financial Year 2010-11 No. of Committee position	
		BM	Last AGM	Member	Chairman
Mr. Shrigopal Inani	Non-Executive Chairman	3	Yes	1	-
Mr. Lakshmikanth Inani	Executive	4	Yes	-	-
Mr. Ramakanth Inani	Executive	4	Yes	-	-
Mr. Vishnukanth Inani	Executive	3	No	-	-
Mr. Suresh J Kabra	Non-Executive Independent	3	Yes	2	1
Mr. Anand Rameshchandra Chandak	Non-Executive Independent	3	No	2	1
Mr. Ramesh Athasniya	Non-Executive Independent	3	Yes	2	1

As may be seen from the above, the Non-Executive Directors constitute 50% of the total number of Directors. The Company has Non-Executive Chairman and one third of the total strength of the Board comprises of Independent Directors.

III. BOARD PROCEDURE

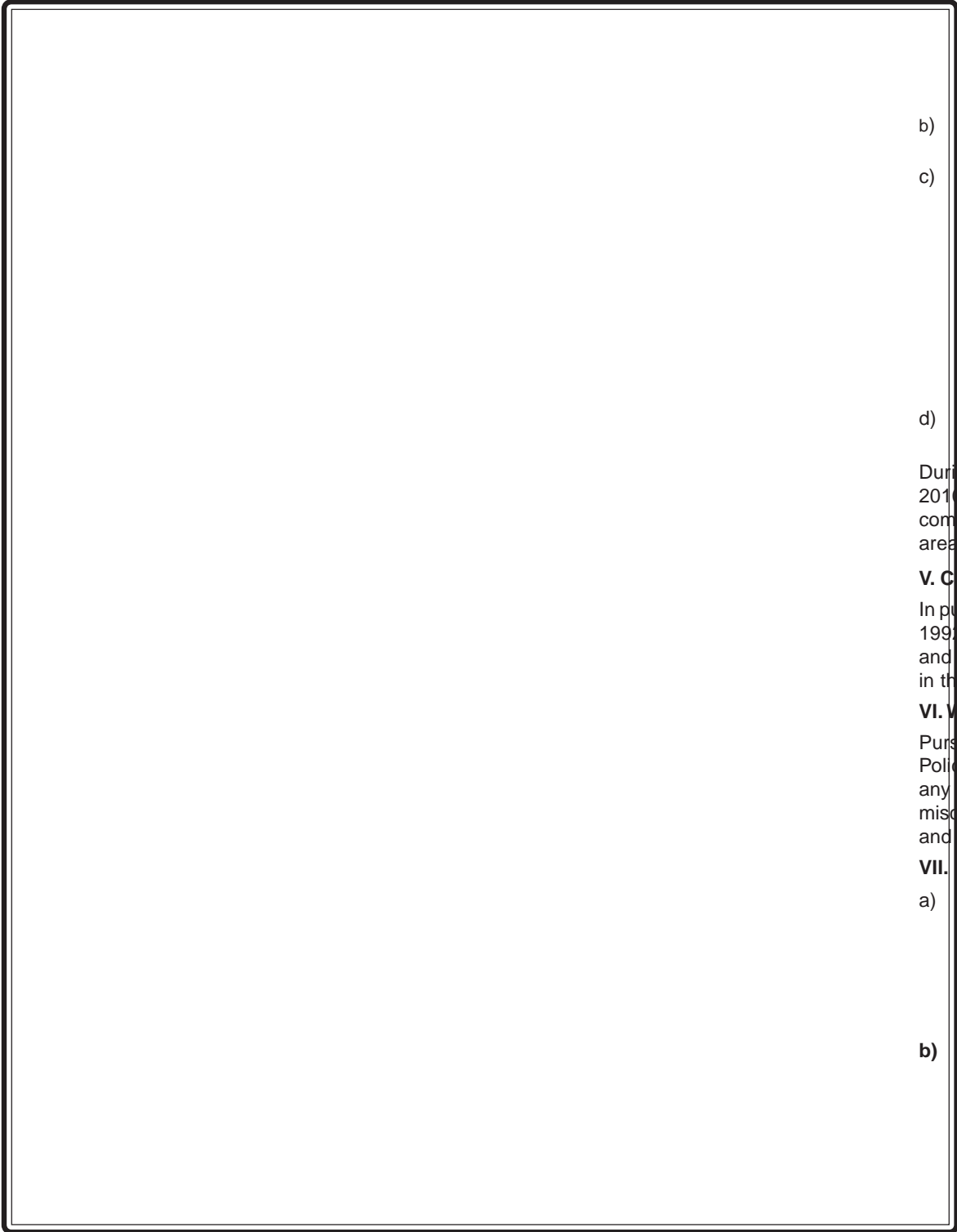
A detailed Agenda is sent to each Director at least a week in advance of the Board and Committee meetings. A detailed functional report is also placed at every Board Meeting. The Board reviews :

- Strategic and Business plans
- Annual operating and capital expenditure plans
- Investment and exposure limits
- The information on financial obligation and disciplinary action.
- Compliance with statutory/regulatory or Listing requirements and review of major legal issues.
- The unaudited quarterly / half yearly / annual results and audited annual accounts of the Company for consideration and adoption.
- Transactions pertaining to purchase and sale of assets, which are undertaken other than in the normal course of business.
- Major accounting provisions and write-offs.
- Minutes of meeting of the Audit and other committees of the Board
- Share transfers, Dematerialisation and Investor Grievances.

IV. AUDIT COMMITTEE :

The Audit Committee of Directors comprised of Mr. Anand Rameshchandra Chandak (Chairman), Mr. Suresh Jankiram Kabra & Mr. Ramesh Athasniya. The scope of the committee includes:-

- a) Reviewing the Company's financial reporting process and the disclosure of its financial information, to ensure that the financial statement is correct, sufficient and credible.



- b) Recommending the ap
payments for any other
- c) Reviewing the periodic
on :
 - Any changes in ac
 - Significant adjustn
 - Compliance with A
 - Compliance with l
 - Any related party
promoters or the m
conflict with the in
- d) Reviewing with the ma
adequacy of internal c

During the period under re
2010, 31st July, 2010, 30th
committee considered the a
areas. The Audit Committe

V. CODE OF CONDUCT

In pursuance of the Securit
1992 (as amended), the bo
and authorised the Audit C
in the Code.

VI. WHISTLE BLOWER PO

Pursuant to clause 49 of th
Policy' duly approved by th
any personnel, access to th
misconduct) and that the C
and other unfair or prejudic

VII. MANAGERIAL REMU

- a) **Remuneration Comm**
review, assess and rec
the remuneration pack
Board. The Remunera
Mr. Anand Rameshcha
meeting of remunerati

- b) **Remuneration Policy**
by the Remuneration C
performance vis-a-v
Director(s) appointee(s)
allowances (fixed com
to its whole time direc
within the salary scale
sitting fee of Rs. 1,000.
members. Sitting Fees
Meetings to Directors

c) **Remuneration to Directors** : In respect of the financial year 2010- 11 a sum of Rs. 8,10,000/- was paid as remuneration to the Managing Director and Whole time directors.

d) **Independent Directors** :

Name	Sitting fees paid during FY 2010-11 Amount in Rupees
Sri. Shrigopal Inani	Rs.3,500/-
Sri. Suresh Jankiram Kabra	Rs. 6,500/-
Sri. Anand Rameshchandra Chandak	Rs. 6,500/-
Sri. Ramesh Athasniya	Rs. 6,000/-

VIII. INVESTORS' GRIEVANCES COMMITTEE :

The Investors' Grievance Committee of the Board is empowered to address/attend to/ redress the investor's complaints pertaining to share transfers, non-receipt of annual reports, issue of duplicate certificates, transmission (with and without legal representation) of shares. Its scope also includes delegation of powers to the executives of the Company's share transfer agents to process share transfers and other investor allied matters. During the Year 2010-11 Investors' Grievance Committee Comprised of Mr. Ramesh Athasniya (Chairman), Mr. Anand Rameshchandra Chandak & Mr. Suresh Jankiram Kabra. During the year under review two Investors' Grievance Committee meetings were held on 30th April 2010 & 31st January 2011.

IX. NAME AND DESIGNATION OF COMPLIANCE OFFICER:

Mr.Vijay Kumar Pathak, Officer Secraterial Department.

X. GENERAL BODY MEETINGS :

- Location and time of General Meetings held in last 3 years :

Year	Type	Date	Venue	Time
2009- 2010	AGM	27 th August,2010	901 & 902, 9 th FLOOR, RAGHAV RATNA TOWERS, CHIRAG ALI LANE, ABIDS, HYDERABAD - 500001	4.00 P.M
2008 - 2009	AGM	27 th September 2009	RAJASTHANI GRADUATES ASSOCIATION HALL, 5-4-790/1, FIRST FLOOR, LANE OPP. TO G. PULLA REDDY SWEETS, ABIDS, HYDERABAD-500 001	4.00 P.M
2007 - 2008	AGM	30 th September 2008	RAJASTHANI GRADUATES ASSOCIATION HALL, 5-4-790/1, FIRST FLOOR, LANE OPP. TO G. PULLA REDDY SWEETS, ABIDS, HYDERABAD 500 001	10.00 A.M

XI. CEO / CFO CERTIFICATION

Mr.Lakshmikanth Inani, Managing Director, appointed in terms of the Companies Act, 1956 is heading the finance functions, certify to the Board that :

- i) He has reviewed the financial statements and the cash flow statements for the year ended 31st March, 2011, and to the best of the knowledge and belief state that :
 - a) These statements do not contain any materially untrue statement or any material fact has been omitted or contain statements that might be misleading;
 - b) These statements together present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- ii) To the best of his knowledge and belief, no transactions entered are fraudulent, illegal or violate the Company's Code of Conduct.
- iii) He accepts the responsibility for establishing and maintaining internal controls evaluating the effectiveness, disclosing the deficiencies to the Auditors and the Audit Committee and take steps or propose to take steps to rectify these deficiencies.
- iv) He indicates to the Auditors and Audit Committee that there is :
 - a) No significant change in internal control Processes during the year,
 - b) No significant change in Accounting Policies : and
 - c) No instance of fraud have taken place.

CERTIFICATE OF COMPLIANCE WITH CODE OF CONDUCT

As provided under Clause 49 of the Listing Agreement relating to Corporate Governance with the Stock Exchanges, all the Board Members and the Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct during the financial year 2010 - 11.

Place : Hyderabad

Date : 24th June, 2011

for **INANI SECURITIES LIMITED**
LAKSHMIKANTH INANI
Managing Director

XII. OTHER DISCLOSURES :
A. RELATING TO TRANSACTIONS

During the year under review, besides the transactions reported elsewhere in the Annual Report, there were no other related party transactions with its promoters, directors, Management and Subsidiaries that had a potential conflict with the interest of the Company at large.

B. NON - COMPLIANCE BY THE COMPANY

The Company has complied with various rules and regulations prescribed by Stock Exchanges, SEBI or any other statutory authority relating to the capital markets during the last three years.

XIII. MEANS OF COMMUNICATION :

The Company regularly files quarterly financial results with the Stock Exchanges immediately after they are taken on record by the Board. Further, coverage is given by publication of the financial results in the leading economic and vernacular daily newspapers.

The quarterly financial results and other shareholder related information are also posted on SEBI EDIFAR website.

Management Discussion and Analysis is covered in the Directors' Report to the shareholders which forms a part of the Annual Report.

XIV. GENERAL SHAREHOLDERS INFORMATION:
Annual General Meeting

Date and time : 23rd July, 2011 at 4.00 P.M
Venue : Rajasthani Graduates Association Hall, 5-4-790/1, First Floor, Lane Opp to G, Pulla Reddy Sweets, Hyderabad - 500 001.

Date of Book closure : 20th July, 2011 to 23th July, 2011(both days inclusive)

XV. Financial Calender :

Financial Reporting for the quarter ending 30th June, 2010	Last week of July, 2010
Financial Reporting for the quarter ending 30th September, 2010	Last week of October, 2010
Financial Reporting for the quarter ending 31st December, 2010	Last week of January 2011
Financial Reporting for the quarter ending 31st March, 2011	Last week of April, 2011

XVI. Listing on Stock Exchanges and stock code:
Stock Codes :

The Bombay Stock Exchange Ltd (BSE)	531672
The ISIN No. NSDL/CDSL	INE224C01014.

XVII. STOCK MARKET DATA :

Monthly closing high and low prices of your companies shares traded on BSE for the Financial Year 2010 - 11

Months	High	Low
April 2010	18.90	15.25
May 2010	16.85	14.50
June 2010	15.50	13.45
July 2010	17.85	14.00
August 2010	17.70	16.00
September 2010	17.65	14.70
October 2010	16.20	14.30
November 2010	16.90	14.65
December 2010	14.65	13.00
January 2011	15.35	13.28
February 2011	16.85	14.60
March 2011	16.85	15.25

XVIII. REGISTRAR AND TRANSFER AGENTS:**Venture Capital & Corporate Investments Pvt Limited**

H.NO. 12-10-167,
BHARAT NAGAR,
HYDERABAD – 500018
Andhra Pradesh.

E-mail : pv_srinu@hotmail.com
Tel No. : 040-23868023/23868024

Share Transfer System:

The turn around time for completion of transfer of shares in physical form is generally 15 days from the date of receipt, if the documents are clear and complete in all respect.

Details of queries / complaints received and resolved during the year 2010-11. The total number of complaints received and resolved during the year was :

Total Complaints Received - NIL

Total Complaints Resolved - NIL

As confirmed by M/s. Venture Capital & Corporate Investments Pvt Limited (RTA of the Company) the complaints are generally attended within 15 days from the date of receipt.

XIX. DISTRIBUTION OF SHARE HOLDING AS ON 31.03.2011 :-

Range of Ordinary Shares	No of Holders	% to Hold	No of Shares	% of Capital
Up to 500	358	46.67	71,538	1.57
501 to 1000	314	40.93	2,26,239	4.96
1001 to 2000	23	2.99	34,791	0.76
2001 to 3000	5	0.65	12,109	0.26
3001 to 4000	5	0.65	16,925	0.37
4001 to 5000	3	0.39	13,500	0.29
5001 to 10000	5	0.65	35,400	0.77
10001 above	54	7.04	41,47,198	90.99
Total	767	100.00	45,57,700	100.00

XX. SHARE HOLDING PATTERN AS ON 31ST MARCH, 2011 :-

Sl. No.	Type of Shareholder	No. of Shares held	% of Total
1	Promoter		
	Indian	2540814	55.75
	Foreign	-	-
2	Financial Institutions & Banks	-	-
3	FII's & OCB's	-	-
4	Mutual Fund/s	-	-
5	Non Resident Indians	-	-
6	Domestic Companies	29035	0.64
7	Individuals	1987851	43.61
	Total	4557700	100.00

XXI. DEMATERIALISATION OF SHARES :-

The Company's shares are available for trading compulsorily in Demat form. Your company has entered into agreements with both Depository viz. National Securities Depositories Limited (NSDL) and Central Depositories Services (India) Limited (CSDL) for dematerialization of shares and custodies fees as applicable for the period 2011-2012. The ISIN code allotted to the companies Equity Shares is INE224C01014. As on 31-03-2011, dematerilisation of shares.

Sl. No.	Electronic/Physical	Mode of Holding %
1	NSDL	5.41
2	CDSL	80.15
3	Physical	14.44
	TOTAL	100.00

85.56% of company's paid up ordinary Equity share capital has been dematerialized up to 31st March, 2011 (85.37% up to 31st March, 2010). The trading in equity shares of the company is permitted only in dematerialized form.

XXII. Address for Correspondence: -**Venture Capital and Corporate Investments Pvt Ltd**

H.NO. 12-10-167,
BHARAT NAGAR,
HYDERABAD – 500018

E-mail : pv_srinu@hotmail.com
Tel No. : 040-23868023/23868024

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**a) Industry Structure and developments:**

The financial year 2010-11 was marked by a fairly tough financial environment due to slowdown in some of the major economies of the world. The economic activities in many developed countries remained sluggish due to sovereign debt turmoil in some of the European Countries. The lingering uncertainties around global growth hampered long term investment prospects. The Indian Economy continued on its high growth trajectory, by registering GDP growth at 8.6 per cent in the 2010-11, on the back of spurt in economic activities and robust expansion in agriculture and allied sectors. However rising inflation in domestic front and consequently periodic increase in interest rates play spoil sport. Agriculture, Industry and services sector grew by 5.4%,8.2% and 9.4% respectively in 2010-11. The financial sector plays an important role in the economy of any nation. A well regulated and well-developed financial sector is vital to achieving the most basic need.

The Indian Capital Market which had witnessed a bull phase between FY 2004-05 to FY 2007-08 experienced a severe setback during FY 2008-09, triggered by the global financial market meltdown and worsened by the rising inflationary pressures in the domestic economy. The dislocation in the financial and capital market seriously impacted the financial performance of the domestic brokerage houses. With the brokerage income getting adversely impacted and the turnover declining with falling stock prices and average brokerage yield, the brokerage houses profitability was severely impacted and they were faced with the challenge of protecting their capital from erosion in the adverse capital market movement. The FY 2010-11, however, saw a some turnaround in the Capital Markets in India. On the back of easing global concerns, stable government at the centre and improving market sentiments, the industry turnover registered a good performance marking a huge improvement over the position in FY 2008-09. Going forward there is a need for exercise of caution as the market volatility, both in terms of stock prices and trading turnover, is expected to continue and the pressure on profitability is likely to persist.

The industry needs to stay vigilant on risks by conducting stress testing periodic intervals to ascertain capital requirements for maintaining adequate margins and financial resources to withstand any systemic shocks including delay in margin payments by clients. SEBI has taken several measures to improve the integrity of the secondary market. Legislative and regulatory changes have facilitated the corporatisation of stockbrokers.

The financial markets in India continue to be attractive and have grown during the year under review. The Indian market has become even more attractive and many new competitive entries have been witnessed.

Recently National Stock Exchange of India Ltd has launched mobile trading for the benefit of the clients in the stock market.

Your company has been able to meet the challenges posed by developments in the capital market due to its strong leadership and vast experienced strengths of your Directors.

b) Opportunities and Threats:

As the company is in stock broking it is exposed to various types of risks including credit, liquidity, operational, legal, compliance and reputation risks.

Your company which was established in year 1994 has emerged as one of the premier broking house in the securities markets. The company has contributed significantly to the development of Indian capital markets by its polices, offering at very competitive brokerage and providing advisory service to its clients, which is its strength.

The financial services sector in India has undergone metamorphic changes in the recent past. Globalisation, deregulation and marketisation have thrust innovations in processes, products, practices and service standards.

All this demands for a innovate and compete in order to grow domestically and become nationally competitive players. Your company's up-gradation of skills is the need of the hour. Competition from peer group and foreign banks may affect the profitability.

A high caliber workforce, large network of branches, state of art infrastructure facilities and a competitive customer service .and advanced tech savvy environment, helped the company to get a prime slot in the minds of the people.

The winds of change sweeping the country have revived up stock broking to meet the onslaught of globalization. Infused with new zeal, the broking industry has expanded its services to include faster dispensing methods, 24- hour automated machines and computerized transactions.

Company is having fully computerized environment in all its branches with interconnectivity through internet.

Stock Broking companies, like any other industry are exposed to credit, market and operational risks in the day to day operation. Linking of Interest spread affects the profitability structure of the company.

Regulatory and Monetary Policy of the SEBI and the Government of India largely affects the operational viability of the company.

c) Outlook:

The year under review i.e. the financial year 2010-11 has been good year. Barring few occasional slips the stock market had been pretty bullish through out the year with sizeable chunk of investments coming from FIIS and HNI's. The year saw some mega Initial Public Offers. The main feature of the IPO's was the participation of retail investors came in and made profits .

The year under review i.e. the financial year 2010-11 has also been a challenging year. Looking ahead, we see favourable prospects for the Indian economy. Our strong leadership will continue to support rates of growth over the medium-term. India has weathered the global storm with a high degree of resilience and we expect the Indian economy to return to a robust growth path ahead of other economies that are experiencing recessionary conditions.

We believe that the strategy that we have followed for upgraded RMS and strong leadership and vast experience strengths of directors that we have built provide a strong foundation for our growth in the years to come. We look forward to the continued support and goodwill of all our clients and stakeholders in our endeavour.

The steps taken by the Regulators/Exchanges have increased the investor protection and improvement in transparency, corporate governance and monitoring which will be necessary to enhance investors' confidence in the capital market, however, very good progress has been made.

d) Risk and Concerns:

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational risks in the stock broking are managed through a comprehensive internal control framework. The control framework is designed based on categorization of all functions into front-office, comprising business groups, comprising credit, back office, comprising operations and corporate and support functions. Your company is in a business where fortunes and realities change every minute. Your company has developed a comprehensive and integrated risk management framework, comprising a clear understanding of strategy, policies initiatives, norms, structured reporting and control. This approach ensures that the risk management discipline is centrally initiated by the senior management but progressively decentralized, extending to managers at various organizational levels, helping them mitigate risks at the transactional level.

The major risk is the continued rise in the price of crude oil in the international markets coupled with alarming high inflation rates in both domestic and other economies, which is an indirect threat to stock broking business as the high cost of manufacturing and periodic rise in interest rates to counter balance inflationary pressures directly effect the earning capacity of the listed entities. Besides this, new regulations and Government policies might also impact the business of the company.

The effect of economic and political conditions in India and overseas, volatility in interest rates and in securities market, new regulations and Government policies that might impact the business of the company.

e) Internal Control system and their adequacy: The Company has a proper and adequate system of internal control which is proportionate to its size and volume of business. The internal control system of the Company are designed to ensure that the financial and other records are reliable for preparing financial statements and other data for maintaining accountability of assets.

- f) **Discussion on Financial Performance with respect to Operational Performance:** The Financial Statements are prepared under the historical cost convention in accordance with Indian generally accepted accounting principles and the provisions of the Companies Act, 1956. All Income and Expenditure having a material bearing on the Financial Statements are recognised on accrual basis. The Management has taken utmost care for the integrity and the objectivity of these Financial Statements, as well as for various estimates and Judgments used therein.
- g) **Material developments in Human Resources/ Industrial Relations front, including number of people involved:** The Company continues to maintain excellent relationship with the clients and the industry in which it is operating. Relationship with the staffs is quite cordial and also supportive for continuous human resource development. During the year under review there has not been any material change in human resource.
- h) **Cautionary Statement:** Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand /supply, price conditions in the domestic and overseas markets in which the Company operates, changes in Government regulations, tax laws and other statutes.

for and on behalf of the Board

Place : Hyderabad

Date : 24th June, 2011

Sd/-
SHRIGOPAL INANI
Chairman

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
INANI SECURITIES LIMITED

We have examined the compliance of the conditions of Corporate Governance by Inani Securities Limited during the year ended on 31st March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **G.D. UPADHYAY & CO**
Chartered Accountants,
Firm Registration No. 05834S

Place : Hyderabad

Date : 24th June, 2011

G.D. Upadhyay
Partner
Membership No. 027187

AUDITORS' REPORT

To
The Members of
INANI SECURITIES LIMITED

- 1) We have audited the attached Balance Sheet of INANI SECURITIES LIMITED as at 31st March, 2011 and also the Profit and Loss Account for the year ended as on that date annexed thereto and Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

- 2) We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

- 3) As required by the Companies (Auditors' Report) (Amendment) Order, 2004 (hereinafter referred to as "the Order") issued by the Government of India in terms of section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

- 4) Further to our comments in the Annexure referred to in Para 3 above, we report that:
 - i) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii) the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - iv) in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - v) on the basis of written representations received from the directors, as on 31st March, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956; and

- vi) in our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the Significant Accounting Policies, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011:
 - b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **G.D. UPADHYAY & CO**
Chartered Accountants,
Firm Registration No. 05834S

Place : Hyderabad
Date : 24th June, 2011

G.D. Upadhyay
Partner
Membership No. 027187

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in paragraph 3 of our report dated : 24th June, 2011 to the members of Inani Securities Limited on the financial statements for the year ended 31st March, 2011.

1.
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed Assets.
 - b) The Company has phased programme of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with such programme, the management has physically verified fixed assets during the year and no material discrepancies were noticed on such verification.
 - c) In our opinion, a substantial part of fixed assets has not been disposed off by the Company during the year.
- 2)
 - a) The stock of securities held by the Company in dematerialised form in demat accounts with NSDL/CDSL is verified with the confirmation certificate received from them. The stock of securities held in physical form is physically verified with respective share certificates.
 - b) The existing procedures of reconciliation of stock followed by the management at periodical interval are reasonable and adequate in relation to the size of the Company and nature of its business.
 - c) The Company is maintaining proper records of its inventory and no material discrepancies were noticed on the reconciliation as mentioned above, as compared with book records.
- 3)

In respect of loans, secured or unsecured granted/taken by Company to/from Companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956.

 - (a) The Company has granted unsecured loans to 3 parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.671.78 Lacs and outstanding balance at the year end is Rs. 424.95 Lacs.
 - (b) In our opinion, the rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the Company.
 - (c) In respect of the aforesaid loans, the party is repaying the principal amounts as stipulated and is also regular in payment of interest, where applicable.
 - (d) In respect of the aforesaid loans granted, there is no overdue amount more than Rupees One Lakh.
 - (e) The Company has not taken any loans from the Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. As the company has not taken any loans, the provisions of the sub clause (e), (f) and (g) of clause (iii) of paragraph 4 of the Order are not applicable to the Company.
- 4)

In our opinion and according to the information and explanations given to us the internal control procedure for purchase of fixed assets, shares and securities, units and corporate bonds and company's money market operations are commensurate with the size of the company and its nature of business.

- 5) a) In our opinion and according to the information and explanations given to us, the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
b) In our opinion and according to the information and explanations given to us, having regard to the comments in (a) above, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices, which are reasonable having regard to the prevailing market prices at the relevant time.
- 6) The Company has not accepted any deposits from the public and consequently, the directive issued by the Reserve Bank of India, the provisions of sections 58A and 58AA of the Companies Act, 1956 and the rules framed there under are not applicable.
- 7) In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of its business.
- 8) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 in respect of services carried out by the Company.
- 9) a) According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Service Tax, Investor Education and Protection Fund, Wealth Tax and any other material Statutory dues applicable to it. As per information and explanations given to us, the Employees State Insurance Act is not applicable to the company. However, pending adjustments of refunds of earlier Assessment years and rectification of the Assessment Orders the Company has not paid undisputed Income Tax Liability of the Assessment year 2003-04 amounting to Rs 408360/- and further Provident fund payable by the company for the financial year 2010-11 amounting to Rs.492811/- out of which Rs.236659/- was outstanding for more than six months as on the balance Sheet date.
b) According to the information and explanations given to us, no disputed dues payable in respect of Income Tax, Service Tax, Wealth Tax, Customs Duty and Cess were outstanding at 31st March, 2011 for a period of more than six months from the date they became payable.
- 10) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year or in the immediately preceding financial year.
- 11) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution/bank and the Company has not obtained any borrowings by way of debentures.

- 12) According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) The Company is not a chit fund, nidhi, mutual benefit fund or a society. Accordingly, clause 4(xiii) of the Order is not applicable
- 14) The Company has maintained proper records of transactions and contracts in respect of trading in shares, debentures, and other securities and timely entries have been made therein. The investments are held by the company in its own name.
- 15) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, clause 4(xv) of the Order is not applicable.
- 16) In our opinion and according to the information and explanations given to us, during the year company has not obtained any term loan from banks or financial institutions. Accordingly clause 4 (XVI) of the order is not applicable.
- 17) On the basis of an overall examination of the Balance Sheet and Cash Flow Statement of the Company, no funds raised on short- term basis have been used for long term investment.
- 18) The company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
- 19) The Company has not issued any debentures. Accordingly clause 4(xix) of the Order is not applicable.
- 20) The Company has not raised any money through a public issue during the year.
- 21) Based upon the audit procedures performed and on the basis of information and explanations provided by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For **G.D. UPADHYAY & CO**
Chartered Accountants,
Firm Registration No. 05834S

Place : Hyderabad
Date : 24th June, 2011

G.D. Upadhyay
Partner
Membership No. 027187

**INANI SECURITIES LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2011**

	Schedule	As at 31-03-2011 Amount in Rs.	As at 31-03-2010 Amount in Rs.
SOURCES OF FUNDS :			
1) SHARE HOLDERS' FUNDS			
a) Share Capital	1	47,166,056	47,166,056
b) Reserves and Surplus	2	82,862,718	78,001,043
2) loan funds			
a) Secured Loans	3	10,952,272	4,945,158
3) Deferred Tax Liability (Net)		50,241	640
4) TOTAL FUNDS EMPLOYED		141,031,286	130,112,897
APPLICATION OF FUNDS:			
5) Fixed Asserts, (including intangibles)			
a) Gross Block	4	25,269,365	28,709,520
b) Less:- Depreciation & Amortisation		4,545,957	9,281,721
		20,723,408	19,427,799
Capital Work in Progress		0	670,479
c) Net Block		20,723,408	20,098,278
6) Investments	5	23,763,123	23,738,123
7) Current Assets, Loans and Advances			
a) Inventories	6	589,541	1,052,158
b) Sundry Debtors	7	18,113,334	20,439,687
c) Cash and Bank Balances	8	48,330,156	47,938,132
D) Loans and Advances	9	66,408,715	58,733,435
		133,441,747	128,163,412
8) Current Liabilities & Provisions			
a) Current Liabilities	10	36,460,144	41,269,134
b) Provisions	11	436,847	617,783
9) Net Current Assets		96,544,755	86,276,495
10) Total Assets (Net)		141,031,286	130,112,897
11) Significant Accounting Policies and notes to Accounts			
	17		

For G.D. UPADHYAY & CO
Chartered Accountants
Firm Registration No. 05834S

As per our Report attached.

For and on Behalf of the Board

G.D. UPADHYAY
Partner
Membership No. 027187
Place : Hyderabad
Date : 24th June, 2011

LAKSHMIKANTH INANI
Managing Director

RAMAKANTH INANI
Director

**INANI SECURITIES LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011**

		For the year ended	
		31-03-2011 Amount in Rs.	31-03-2010 Amount in Rs.
	Schedule		
Income :			
1)Income from Stock Market Operations	12	18,172,923	17,794,464
2)Other Income	13	6,731,504	7,465,550
		24,904,427	25,260,014
3)Expenditure:			
4)Personnel Expenses	14	6,801,180	5,713,250
5)Operating and Administration Express	15	7,074,846	8,245,593
6)Financial Expenses	16	2,296,857	1,943,174
7)Depreciation & Amortisation	4	1,396,131	1,785,842
		17,569,014	17,687,859
8)Profit Before Tax and Exceptional Items		7,335,413	7,572,155
a)Prior period adjustments (Net)		189,172	150,985
b)Loss on Sale of Car		57,308	0
Net Profit before Taxation		7,088,933	7,421,170
9)Provision for Taxation			
a)Current		2,133,032	2,289,191
b)Deferred		49,601	(20,140)
c)Earlier Year Tax		44,626	101,268
10)Net Profit after Taxation		4,861,674	5,050,851
Balance Brought forward from Previous year		78,001,044	72,950,192
(11)Balance Carried to Balance Sheet		82,862,718	78,001,043
Earning per Share, of par value Rs.10/-each including exceptional items - Basic & Diluted (See Note No.17 on Page No. 39)		1.07	1.11
Significant Accounting polices and notes to Accounts		17	

For G.D. UPADHYAY & CO
Chartered Accountants
Firm Registration No. 05834S

As per our Report attached.

For and on Behalf of the Board

G.D. UPADHYAY
Partner
Membership No. 027187
Place : Hyderabad
Date : 24th June, 2011

LAKSHMIKANTH INANI
Managing Director

RAMAKANTH INANI
Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

		Year ended 31-03-2011 Rs.in Lacs	Year ended 31-03-2010 Rs.in Lacs
A	Cash Flow From Operating Activities		
a	Net Profit / (Loss) before Tax & Extraordinary Items	73.35	75.72
	Adjustments for:		
	Depreciation & Admortisation	13.96	17.86
	Interest	22.97	19.43
	Interest Received	(59.17)	(64.41)
	Dividend received	(1.31)	(1.59)
	Rent Received	(2.70)	(3.60)
b	Operating Profit /(Loss) before working capital changes	47.11	43.42
	Adjustments for :		
	Trade & Other Receivables	23.26	99.35
	Inventory	4.62	(0.04)
	Trade Payable and other payable	(48.09)	0.62
	Loans & Advances	(76.75)	(253.68)
	Provisions	(1.81)	(0.25)
c	Cash Generated/(outgo) from Operation	(51.66)	(110.57)
	Interest paid	(22.97)	(19.43)
	Direct Taxes paid	(21.78)	(23.90)
d	Cash Flow before extraordinary Item	(96.41)	(153.90)
	Prior Year Adjustments	(1.89)	(1.51)
	Net Cash Flow from Operating Activities (A) :	(98.30)	(155.41)
B	CASH FLOW FROM INVESTING ACTIVITIES :		
	Purchase of Fixed Assets	(23.31)	(19.59)
	Proceeds from Sale of Fixed Assets	2.52	0.00
	(Increase) / Decrease in Investment	(0.25)	0.00
	Interest received	59.17	64.41
	Dividend received	1.31	1.59
	Rent	2.70	3.60
	Net Cash Flow/(used) in Investing Activities (B) :	42.14	50.00
C	Cash Flow From Financing Activities :		
	Borrowings / (Repayment of loan)	60.07	(12.76)
	Net Cash Flow from Financing Activities (C) :	60.07	(12.76)
D	Net Increase/(Decrease) In Cashand Cash Equivalents (A+B+C)	3.91	(118.29)
	Cash and Cash equivalent at the beginning of the year	479.39	597.68
	Cash and equivalent at the end of the year	483.30	479.39

This is the cash flow statement referred to in our report of even date.

We have verified the above Cash Flow Statement of Inani Securities Limited derived from the Audited Financial Statements for the year ended 31st March, 2011 and found the same to be drawn in accordance and also with the requirements of Clause 32 of the Listing Agreement with the Stock Exchanges.

For and on Behalf of the Board

For G.D. UPADHYAY & CO
Chartered Accountant
Firm Registration No. 05834S

LAKSHMIKANTH INANI
Managing Director

Place : Hyderabad

G.D. UPADHYAY
Partner

RAMAKANTH INANI
Director

Date : 24th June, 2011

Membership No.0 27187

**INANI SECURITIES LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET**

	As at 31-03-2011 Amount in Rs.	As at 31-03-2010 Amount in Rs.
SCHEDULE - 1 SHARE CAPITAL		
Authorised 53,50,000 (Previous year 53,50,000) Equity Shares of Rs. 10/-each	53,500,000	53,500,000
Issued and subscribed 50,21,900 (Previous Year 50,21,900) Equity Shares of Rs.10/- each	50,219,000	50,219,000
	500,219,000	50,219,000
Paid Up 45,57,700 Equity Shares of Rs. 10/- each Add : Forfeited Shares 4,64,200 Equity shares forfeited and not reissued	45,577,000 1,589,056	45,577,000 1,589,056
	47,166,056	47,166,056
SCHEDULE - 2 RESERVES & SURPLUS		
Surplus in Profit and Loss Account	82,862,718	78,001,043
	82,862,718	78,001,043
SCHEDULE - 3 SECURED LOANS		
Loans from Banks (Refer Note No.5 in Schedule No.17 on page no 36)	10,952,272	4,945,158
	10,952,272	4,945,158
SCHEDULE - 6 INVENTORIES (At lower of Cost or Net Estimated realisable Value and as per Inventory taken, Valued and certified by Management)	589,541	1,052,158
	589,541	1,052,158

INANI SECURITIES LIMITED										
SCHEDULE - 4 FIXED ASSETS										
Description of the Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1-4-2010	Additions	Adjustments/ Deletions	As at 31-3-2011	As at 1-4-2010	for the year	Adjustments	Upto 31-3-2011	As at 31-3-2011	As at 31-3-2010
Premises	12,037,510	0	0	12,037,510	710,363	196,211	0	906,574	11,130,936	11,327,147
Computer Equipments	5,357,081	179,794	5,357,081	179,794	5,009,499	364,236	5,357,081	16,654	163,140	347,582
Office Equipments	2,954,704	352,486	0	3,307,190	547,921	152,293	0	700,214	2,606,976	2,406,783
Vehicles	3,811,883	998,100	1,084,122	3,725,861	1,779,397	353,333	774,814	1,357,916	2,367,945	2,032,486
Furniture and Fixtures	4,487,542	1,470,668	0	5,958,210	1,228,502	329,444	0	1,557,946	4,400,264	3,259,040
Sterling Holiday Resort	55,800	0	0	55,800	5,639	564	0	6,203	49,597	50,161
Classic Club Resorts	5,000	0	0	5,000	400	50	0	450	4,550	4,600
Total	28,709,520	3,001,048	6,441,203	25,269,365	9,281,721	1,396,131	6,131,895	4,545,957	20,723,408	19,427,799
Previous year	27,421,120	1,288,400	0	28,709,520	7,495,879	1,785,842	0.00	9,281,721	19,427,799	19,925,241

INANI SECURITIES LIMITED				
SCHEDULE - 5 INVESTMENTS				
	No. of Shares	As at 31-03-2011	As at 31-03-2010	
UNQUOTED EQUITY SHARES :				
Inani Commodities and Finance Limited	426,150	23,261,500	23,261,500	
The Hyderabad Stock Exchange Limited	10,000	10,000	10,000	
The HSE Securities Limited-Right Issue (Face Value of Rs.10/- each) Partly Paid Rs. 2.5/- per Share	10,000	25,000	0	
Equity Shares of Bombay Stock Exchange Ltd. (includes written down Value of the Membership Card)	23,257	466,623	466,623	
		23,763,123	23,738,123	

INANI SECURITIES LIMITED		
	As at 31-03-2011 Amount in Rs.	As at 31-03-2010 Amount in Rs.
SCHEDULE -7		
SUNDRY DEBTORS		
(Unsecured but considered good)		
Outstanding for More than Six Months	5,466,990	14,964,635
Outstanding for Less than Six Months	12,646,344	5,475,052
	18,113,334	20,439,687
SCHEDULE -8		
CASH AND BANK BALANCES		
Cash on hand	463,601	630,621
Stamps on hand	15,505	14,789
Bank Balances (with Scheduled Banks)		
In Current Accounts	618,488	1,108,287
In Deposit Accounts (Include Rs.418 lacs Previous year 451 Lacs) kept as Margin Money with Stock Exchanges and banks for guarantees issued by them	47,232,562	46,184,435
	48,330,156	47,938,132
SCHEDULE -9		
LOANS AND ADVANCES		
(Unsecured bur Considered Good)		
Advances Recoverable in Cash or kind or for value to be received	54,754,752	46,118,416
Deposit and Margins with Stock Exchanges	10,728,460	11,822,853
Rent Deposit with others	25,000	39,302
Telephone and Cell Phone Deposit	103,563	107,896
Electricity Deposit	59,692	59,692
Other Deposits	0	3,000
Prepaid Expenses	737,248	582,276
	66,408,715	58,733,435
CURRENT LIABILITIES AND PROVISIONS		
SCHEDULE -10		
CURRENT LIABILITIES		
Sundry Cerditors	14,226,654	33,560,349
Security Deposit from Customers	3,746,309	3,653,088
Other Liabilities	18,487,181	4,055,697
	36,460,144	41,269,134
SCHEDULE -11		
PROVISIONS		
Provision for Income Tax	114,760	341,274
Provision for Gratuity	322,087	276,509
	436,847	617,783

INANI SECURITIES LIMITED		
SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT		
	As at 31-03-2011 Amount in Rs.	As at 31-03-2010 Amount in Rs.
SCHEDULE - 12		
INCOME FROM OPERATIONS		
Income from Stock Broking and related Income (Net)	18,172,923	17,794,464
	18,172,923	17,794,464
SCHEDULE - 13		
OTHER INCOME		
Interest	5,917,111	6,440,609
Rent	270,000	360,000
Miscellaneous Income	544,393	664,941
	6,731,504	7,465,550
SCHEDULE - 14		
PERSONNEL EXPENSES		
Salaries	5,781,507	5,111,551
Bonus	340,085	300,370
Staff Welfare Expenses	218,051	200,950
Incentives	78,703	0.00
Gratuity	110,578	100,379
Provident Fund	272,256	0.00
	6,801,180	5,713,250
SCHEDULE - 15		
OPERATING AND ADMINISTRATION EXPENSES		
Rent	431,500	865,500
Rates & Taxes	279,386	433,862
Insurance	25,784	57,129
Travelling and Conveyance	259,425	328,075
Tele communication Charges	1,414,457	1,603,384
Printing & Stationery	287,568	232,443
Electricity Charges	516,879	539,933
Computer Repairs and Maintenance	831,512	335,188
Directors Sitting Fee	22,500	24,000
Remuneration to Auditors	108,350	115,000
Computer Software	619,793	484,779
Directors Remunration	810,000	810,000
Legal Expenses	97,818	90,200
Professional Charges	10,000	17,000
News Paper, Periodicals and Subscriptions	4,980	5,178
Vehicle Maintaence	181,470	371,194
Stock Exchange Expenses	438,879	494,756
Balances written off	13,550	719,335
AGM Expenses	31,526	10,750
Office and General Expenses	689,469	707,887
	7,074,846	8,245,593
SCHEDULE - 16		
INTEREST AND FINANCE CHARGES		
Bank Charges	2,364	2,618
Bank Guarantee Charges	850,824	886,191
Interest on other Loans	1,443,669	1,054,365
	2,296,857	1,943,174

SCHEDULE - 17

Significant Accounting Policies and Notes forming part of the Balance Sheet as at 31st March, 2011 and Profit and Loss Account for the year ended 31st March, 2011

1. SIGNIFICANT ACCOUNTING POLICIES :**1) Basis of preparation of financial statements :**

The accompanying financial statements are prepared under the historical cost convention in accordance with the Indian Generally Accepted Accounting Principles ("GAAP") comprising the mandatory accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956, on accrual basis. These accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted by the company.

2) Use of Estimates :

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known/materialised.

3) Fixed Assets :

All Fixed Assets are stated at cost of acquisition, less accumulated depreciation. Cost is inclusive of freight, installation cost, duties, taxes and other direct incidental expenses.

4) Capital Work-in-progress

Capital Work-in-progress is carried at cost, comprising direct cost and related incidental expenses.

5) Impairment :

The carrying amount of assets is reviewed at each balance sheet date for any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset materially exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

6) Depreciation :

Depreciation has been provided on straight line method on pro-rata basis at the rates prescribed in Schedule XIV of the Companies Act, 1956.

7) Inventories :

Stock of Shares is valued at lower of Cost or Estimated Net realisable Value.

Estimated Net Realisable Value: In case realisable value is not ascertainable due to non-availability of Quotation in the Stock Markets, the value of such Shares are adopted at Rs.1.00 per Share.

Cost : In case, Cost is not ascertainable due to non availability of lot details and its cost, the cost of such shares are adopted at previous year value.

8) Investments : Unquoted Investments: In the opinion of the management Investment in the Unquoted Investment in Associates and other Companies are of Long Term nature meant to be held permanently and any diminution in the latest available book value as compared to the cost

of such shares is considered temporary by the management and hence not provided (not ascertained).

9) Revenue Recognition :

Brokerage income earned on Secondary market operations is accounted (inclusive method) on trade dates. Depository & related income is accounted (inclusive method) on accrual basis.

10) Employee Benefits :

a) Short term employee benefits :

Employee Benefits such as salaries, allowances, and non-monetary benefits which fall due for payment within a period of twelve months after rendering of services, are charged as expense to the profit and loss account in the period in which the service is rendered.

b) Post-employment benefits :

Employee Benefits under defined benefit plans, such as gratuity which falls due for payment after a period of twelve months from rendering services or after completion of employment ,are measured by projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each balance sheet date. The Company's obligation recognized in the balance sheet represents the present value of obligation as reduced by the fair value of plan assets where applicable.

Actuarial Gains and losses are recognized immediately in the Profit and Loss Account.

11) Taxation :

Tax expenses comprises of current and deferred. Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Provision for current tax is made on the basis of Taxable Income of the Current Accounting Year in accordance with Income Tax Act, 1961. The Company is providing and recognizing deferred tax on timing differences between taxable income and accounting income subject to consideration of prudence.

12) Provisions and Contingent Liabilities :

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

13) Earnings per share :

In determining Earnings per share, the company considers the net profit after tax and includes the post tax effect of any extra ordinary items. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

2. NOTES ON ACCOUNTS :

	31/03/2011	31/03/2010
1) Estimated amount of contracts remaining to be Executed on capital account and not provided for (Net of advances)	NIL	Rs.2.50 Lacs
2) Contingent Liabilities :		
a) Uncalled Liability on account of 10000 partly paid right shares of HSE Securities limited	75000	NIL
b) Not provided for Bank Guarantees issued by the Banks.	418 Lacs	451 Lacs
3) Managerial Remuneration		
Managerial Remuneration paid to Directors is set out below:		
Salary	Rs.810000	810000
Contribution to Provident fund	NIL	NIL
Perquisites	NIL	NIL
Others/Allowances	NIL	NIL
4) Auditors Remuneration (excluding Service Tax)		
Audit Fees	Rs.35000	Rs35000
Tax Audit Fees	Rs.15000	Rs15000
Other Services	0	Rs15000
5) Secured Loans		

Loan from HDFC Bank is secured against pledge of equity shares belonging to the Directors, Relatives & Group Company and against mortgage of FDR worth Rs.2 Crores.

Loan from TMB Ltd. is secured by way of pledge of FDR worth Rs.50 Lacs.

6) Employee Benefits :

As per Accounting Standard 15 "Employee Benefits", the disclosures as defined in Accounting Standard are given below:

Particulars	2010-11
a) Changes in the Present Value of Obligation	
Present value of obligations as at beginning of year	2,76,509
Interest cost	22,121
Current Service cost	23,457
Benefits paid	0
Actuarial (gain)/loss on obligations	(24,526)
Present value of obligations as at end of the year	2,97,561
b) Changes in Fair value of plan assets	
Fair value of plan assets at beginning of the year	79,629
Expected return of plan assets	11,229
Contributions	60,342
Benefits paid	0
Actuarial (gain)/loss on plan assets	0
Fair value of plan assets at the end of the year	1,51,200
c) Assets recognized in the Balance Sheet	
Present value of obligations as at the end of the year	2,97,561
Fair value of plan assets as at the end of the year	1,51,200
Funded status	(1,46,361)
Net asset/(liability) recognized in balance sheet	(1,46,361)
d) Expenses recognized in the Statement of Profit & Loss	
Current service cost	23,457
Interest cost	22,121
Expected return on plan assets	11,229
Net Actuarial (gain)/loss recognized in the year	(24,526)
Expenses recognized in statement of profit and loss	9,823
e) Assumptions	
Discount Rate	8% P.A
Salary Escalation	4 %

7) Sundry Debtors, Loans and Advances and Creditors are subject to Confirmation and reconciliation.

- 8) In the opinion of the Board of Directors, Current Assets and loans and Advances have the value at which these are stated in the Balance Sheet, if, realized in the ordinary course of business, unless otherwise stated and adequate provisions of all known liabilities have been made and are not in excess of the amount reasonably required.
- 9) As confirmed by the management, there are no dues above Rs. 1.00 Lakh outstanding for more than 45 days to Micro and Small Scale Undertakings.
- 10) Cash and Bank balance includes Rs. 66,012/- for unclaimed dividend declared in the year 2007-08.
- 11) The Company is engaged in 'Stock broking' & Depository Participant Segments. The other activities such as Trading in Securities, Investment banking are incidental to Stock Broking activity.
- 12) The turnover of Depository Participant Segmeent is less than 10% of total turnover: hence there is no reportable segment as per Accounting Standard - 17 issued by the Institute of Chartered Accountants of india.
- 13) The company operates in only one Country i.e. 'India',. Hence separate information on geographical segment is not required. The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information of the Company.
- 14) Deferred Tax comprises of the following:

Particulars	2010-11	2009-10
Deferred Tax Liability / (Asset)		
Opening Balance	640	20,780
Timing Difference on account of Depreciation	49601	(12,865)
Timing Difference due to Provision for Retirement Benefits	Nil	(7,275)
Closing Balance	50241	640

- 15) Related Party Disclosure as per Accounting Standard - 18:
(The information is given as compiled and certified by the management).

SI.No	Associate Concerns
1	M/s. INANI COMMODITIES & FINANCE LIMITED
	Key Management Personnel
1	Sri. LAKSHMIKANTH INANI
2	Sri. RAMAKANTH INANI
3	Sri. VISHNUKANTH INANI
	Relatives of Key Management Personnel
1	Mrs. ANITA INANI
2	Mrs. CHAMPA DEVI INANI

- 16) Related party Transactions (Amount in Rs.)

Particulars	Keyperson/Relatives	Associates
Directors Sitting Fees	22,500	-
Remuneration	8,10,000	-
Rent paid	307500	-
Interest received	16,16,035	-
Advances given	-	424.95 Lacs
Brokerage Received	2,83,147	13,022

- 17) Basic and Diluted Earnings per Share ("EPS") computed in accordance with Accounting Standard (AS) 20 'Earnings per Share'

Particulars		2010-11	2009-10
Basic			
Profit after tax as per Profit and Loss account	A	48,61,674	50,50,852
Number of Shares subscribed	B	45,57,700	45,57,700
Basic EPS (Rupees)	A/B	1.07	1.11
Diluted			
Profit after tax as per Profit and Loss account	A	48,61,674	50,50,852
Number of Shares subscribed	B	45,57,700	45,57,700
Diluted EPS (Rupees)	A/B	1.07	1.11

- | | | |
|--|-----|-----|
| 19. Value of Imports on CIF Basis | NIL | NIL |
| 20. Expenditure in Foreign Currency | NIL | NIL |
| 21. Earnings in Foreign Currency | NIL | NIL |
| 22. Figures in brackets in these notes are in respect of previous year. | | |
| 23. Figures of previous have been regrouped/rearranged/reclassified, wherever considered necessary to confirm to current years presentation. | | |

for G.D. UPADHYAY & CO
Chartered Accountants
Firm Registration No. 05834S

G.D. UPADHYAY
Partner
Membership No. 027187

Place : Hyderabad

Date : 24th June, 2011

for and on Behalf of the Board

LAKSHMIKANTH INANI
Managing Director

RAMAKANTH INANI
Whole Time Director

SHARE HOLDER'S REFERENCER**I. DUTIES / RESPONSIBILITIES OF INVESTORS**

- To remain abreast of corporate developments, company specific information and take informed investment decision(s).
- To be aware of relevant statutory provisions and ensure effective compliance therewith.
- To deal with only SEBI registered intermediaries while dealing in the securities.
- Not to indulge in fraudulent and unfair trading in securities nor to act upon any unpublished price sensitive information.
- To participate effectively in the proceedings of shareholders' meetings.
- To respond to communications seeking shareholders' approval through Postal Ballot.
- To respond to communications of SEBI / Depository / DP / Brokers / Sub-Brokers / Other Intermediaries / Company, seeking investor feedback / comments.

II. MISCELLANEOUS**a) Change of address**

What is the procedure to get change of address registered in the Company's records?

Shareholders holding shares in physical form, may send a request letter, duly signed by all the holders, giving the new address along with Pin Code, to the Company's R&TA. Shareholders are also requested to quote their folio number and furnish proof such as attested copies of Ration Card / PAN Card / Passport / Latest Electricity or Telephone Bill / Lease Agreement etc. If shares are held in dematerialised form, information about change in address needs to be sent to the DP concerned.

b) Change of Name

What is the procedure for registering change of name of shareholders?

Shareholders may request the Company's R&TA for effecting change of name in the share certificate(s) and records of the Company. Original share certificate(s) along with the supporting documents like marriage certificate, court order etc, should be enclosed. The Company's R&TA, after verification, will effect the change of name and send the share certificate(s) in the new name of the shareholders. Shareholders holding shares in demat form, may request the concerned DP in the format prescribed by DP.

TRANSFER / TRANSMISSION / TRANSPOSITION / DUPLICATE / CERTIFICATE(S) ETC.

1. What is the procedure for transfer of shares in favour of transferee(s)

Transferee(s) need to send share certificate(s) along with share transfer deed in the prescribed form 7B, duly filled in, executed and affixed with share transfer stamps, to the company's R&TA. It takes about 7 days for the company's R&TA to process the transfer, although the statutory time limit fixed for completing a transfer is one month under the Listing Agreement and two months under the companies act, 1956.

2. If a shareholder who holds shares in his sole name dies without leaving a Will, how can his legal heir(s) claim the shares?

The legal heir(s) should obtain a succession Certificate or Letter of Administration with respect to the shares and send a true copy of the same, duly attested, along with a request letter, transmission form, and the share certificate(s) in original, to the Company's R&TA for transmission of the shares in his / their name(s).

3. In case of a deceased shareholder who held shares in his / her own name (single) and had left a will, how do the legal heir(s) get the shares transmitted in their name(s)?

The legal heir(s) will have to get the Will probated by the Court of competent Jurisdiction and then send to the Company's R&TA a copy of the probated copy of the Will, along with relevant details of the shares, the relevant share certificate(s) in original and transmission form for transmission of the shares in his / their name(s).

4. How can the change in order of name (i.e. transposition) be effected?

Share certificates along with a request letter duly signed by all the joint holders may be sent to the Company's R&TA for change in order of names, known as 'transposition'. Transposition can be done only for the entire holdings under a folio and therefore, requests for transposition of part holding cannot be accepted by the Company / R&TA. For shares held in demat form, investors are advised to approach their DP concerned for transposition of the shares.

5. What is the procedure for obtaining duplicate share certificate(s) in case of loss / misplacement of original share certificate(s)?

Share holders who have lost / misplaced share certificate(s) should inform the Company's R&TA, immediately about loss of share certificate(s), quoting their folio number and details of share certificate(s), if available.

The R&TA shall immediately mark a 'stop transfer' on the folio to prevent any further transfer of shares covered by the lost share certificate(s). It is recommended that the shares holders should lodge a FIR with the police regarding loss of share certificate(s).

They should send their request for duplicate share certificate(s) to the Company's R&TA and submit documents as required by the R&TA.

INFORMATION REGARDING TAX ON DIVIDEND AND SALE OF SHARES

The provisions relating to tax on dividend and sale of shares are provided for ready reference of Shareholders.

- No tax is payable by shareholders on dividend. However, the Company is required to pay dividend tax @ 15% and surcharge @ 7.5% together with education cess @ 2% and higher education cess @ 1%.
- Short Term Capital Gains (STCG) tax is payable in case the shares are sold within 12 months from the date of purchase @ 15% in case of 'individuals' together with education cess @ 2% and higher education cess @ 1%.
- No Long Term Capital (LTCG) tax is payable on sale of shares through a recognized Stock Exchanges, provided Securities Transaction Tax (STT) has been paid and shares are sold after 12 months from the date of purchase. In any other case, lower of the following is payable as long term capital gain tax:
 - (a) 20% of the capital gain computed after substituting 'cost of acquisition' with 'indexed cost of acquisition':
 - (b) 10% of the capital gain computed before substituting 'cost of acquisition' with 'indexed cost of acquisition'.
- STT is payable as under
 - @ 0.125% by both the purchaser and the seller in respect of delivery based transactions:
 - @ 0.017% by the seller in respect of derivatives:
 - @ 0.025% by the seller in respect of transactions in Securities not being settled by actual delivery.

DO'S

- Transact only through Stock Exchanges.
- Deal only through SEBI registered intermediaries.
- Complete all the required formalities of opening an account properly (client registration, Client agreement forms etc.)
- Ask for and sign "Know Your Client Agreement".
- Read and properly understand the risks associated with investing in Securities / derivatives before undertaking transactions.
- Assess the risk - return profile of the investment as well as the liquidity and safety aspects before making your investment decision.
- Ask all relevant questions and clear your doubts with your broker before transacting.
- Invest based on sound reasoning after taking into account all publicly available information and on fundamentals,
- Beware of the false promises and to note that there are no guaranteed returns on investments in the Stock Market.

- Give clear and unambiguous instructions to your broker / Sub-broker / DP
- Be vigilant in your transactions.
- Insist on a contract note for your transaction.
- Verify all details in the contract note, immediately on receipt.
- Always settle dues through the normal banking channels with the market intermediaries.
- Crosscheck details of your trade with details as available on the exchange website.
- Scrutinize minutely both the transaction and the holding statements that you receive from your DP.
- Keep copies of all your investment documentation.
- Handle DIS Book issued by DP's carefully.
- Insist that the DIS numbers are pre-printed and your account number (Client ID) be pre stamped.
- In case you are not transacting frequently make use of the freezing facilities provided for your demat account.
- Pay the margins required to be paid in the time prescribed.
- Deliver the shares in case of sale or pay the money in case of purchase within the time prescribed.
- Participate and vote in general meetings either personally or through proxy.
- Be aware of your rights and responsibilities.
- In case of complaints, approach the right authorities for redressal in a timely manner.

DON'TS

- Don't undertake off-market transactions in securities.
- Don't deal with unregistered intermediaries
- Don't fall prey to promises of unrealistic returns.
- Don't invest on the basis of hearsay and rumours; verify before investment.
- Don't forget to take note of risks involved in the investment.
- Don't be misled by rumours circulating in the market.
- Don't blindly follow media reports on corporate developments, as some of these could be misleading.
- Don't follow the herd or play on momentum – it could turn against you.
- Don't be misled by so called hot tips.
- Don't try to time the market.
- Don't hesitate to approach the proper authorities for redressal of your doubts / grievances.
- Don't leave signed blank DIS's of your demat account lying around carelessly or with anyone.
- Do not sign blank DIS and keep them with DP or broker to save time. Remember your carelessness can be your peril.
- Do not keep any signed blank transfer deeds.

NOTE

The contents of this-References are for the purpose of general information. The readers are advised to refer to the relevant Acts / Rules / Regulations / Guidelines / Clarifications.

**ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV OF
SCHEDULE VI OF THE COMPANIES ACT, 1956.
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

I. Registration Details

 Registration No. L67120AP1994PLC017583

 Balance Sheet Date 3 1 0 3 2 0 1 1
II. Capital raised during the year (Rs. in thousand)

Public Issue	Bonous Issue	Rights Issue	Private Issue
	N I L	N I L	N I L

III. Position of Mobilisation and Deployment of Funds (Rs. in thousand)

Total Liabilities	Total Assets
1 4 1 0 3 1 2 8 6	1 4 1 0 3 1 2 8 6

Sources of Funds

Paid up Capital	Reserves and Surplus	Secured Loans
4 7 1 6 6 0 5 6	8 2 8 6 2 7 1 8	1 0 9 5 2 2 7 2
Unsecured Loans	Deferred Tax Liability	
N I L	5 0 2 4 1	

Application of Funds

Fixed Assets	Investments	Net Current Assets
2 0 7 2 3 4 0 8	2 3 7 6 3 1 2 3	9 6 5 4 4 7 5 5
Music Expenditure	Deffered Tax Assert	
N I L	N I L	

IV. Performance of the Company

Total Income	Total Expenditure	Profit/(Loss) before Tax
2 4 9 0 4 4 2 7	1 7 5 6 9 0 1 4	7 0 8 8 9 3 3
Profit/(Loss) After	Earning per Share	Dividend Rate
4 8 6 1 6 7 4	1 . 0 7	N I L

V. Generic Names of the three Products/Services of the Company

Item Code No. (ITC Code No.)	-	Not Applicable
Product	-	Stock Broking

for and on Behalf of the Board

Place : Hyderabad

 Date : 24th June, 2011

LAKSHMIKANTH INANI
Managing Director

RAMAKANTH INANI
Director

INANI SECURITIES LIMITED
 Regd. Office : G-15, Raghava Ratna Towers,
 Chirag Ali Lane, Abids, Hyderabad - 500 001.

ATTENDANCE CARD

(To be handed over at the entrance of the meeting hall)
 17th Annual General Meeting - 23rd July, 2011

I/We hereby record my/our presence at 17th Annual General Meeting of the Company to be held on Saturday, the 23rd day of July, 2011 at 4.00 P.M. at Rajasthani Graduates Association Hall, situated at 5-4-790/1, First Floor, Lane Opp. to G.Pulla Reddy Sweets, Abids, Hyderabad - 500 001.

Name of Shareholders :
 (In Block Letter)

Reg. Folio No. No. of Shares held or
 DP ID No. Client ID No.

Name of Proxy
 (In Block Letters)

Signature(s) of the member(s) or proxy / proxies



PROXY FORM

Reg. Folio No. No. of Shares held or
 DP ID No. Client ID No. No. of Shares held

I/We of
 in the district of being
 a member/members of INANI SECURITIES LIMITED hereby appoint
 in the district of failing him/her
 of in the district of

..... as my/our proxy to attend and vote for me/us and on my/our behalf at the 17th Annual General Meeting of the Company to be held on Saturday, the 23rd day of July, 2011 at 4.00 P.M. at Rajasthani Graduates Association Hall, situated at 5-4-790/1, First Floor, Lane Opp. to G.Pulla Reddy Sweets, Abids, Hyderabad - 500 001.

As Witness my hand/our hand this day of

Signature

Affix 1/- Rupee Revenue Stamp
--

Note : This proxy form in order to be effective should be duly completed, stamped and signed, must be deposited at the Registered Office of the Company, 48 hours before the meeting.

**PRINTED MATTER
BOOK - POST**

If undelivered please return to :

INANI SECURITIES LIMITED
G-15, Raghava Ratna Towers,
5-8-352/14 & 15, Chirag Ali Lane,
Hyderabad - 500 001. A.P.
Website : www.inaniseq.in

17th
Annual Report
2010 -11



INANI SECURITIES LIMITED